

# HUMAN SERVICES REPORTING SYSTEM

## Expense Report For Human Service Programs

(DDE-942)

Expenditure reports are due annually. January – December expenditures are due March 25th of the following year. **(Because the instructions are being sent out late, for CY 04 only, the DDE 942 is not due until April 15, 2005.)** All reports must be submitted via the Internet. Hard copies will not be accepted. They will be returned to the agency for keying.

### General Instructions

This report, required under Section 10.0 of the consolidated state/county contract, must be prepared for the period January – December of each year. Form DDE-942 is used to report all agency expenses regardless of source. A new revenue report, the Human Services Revenue Report form (HSRR) (attachment 2), shows the various revenue sources for the total expenditures. The HSRR form should have the same totals for each Target Group as the DDE-942.

The reporting deadline is part of the Division's contractual agreement between the state and counties. It is important that agencies meet the March 25th deadline. **(See note above for CY 04 requirements.)** When circumstances prevent an agency from meeting the reporting period deadline, a 30 day grace period may be requested from the regional office. Delays beyond 30 days must be requested in writing from the regional office and must state the reason for delay and the date by which the report will be submitted.

### Agency Type

- DSS – Department of Social Services
- DCP – Department of Community Programs (formerly 51.42 or 51.42/437 Board)
- DDB – Department of Developmental Disabilities/51.437 Board
- HSD – Department of Human Services
- DOA – Department on Aging

### Introduction

Instructions for the 942 have been revised for clarification. Various counties had input via the Visions Data Reporting Workgroup. Feedback on any portion of the instructions is welcome and will be considered in future revisions.

The 942 expenditure data should correspond directly to the data reported on the Human Services Revenue Report. The exception is the DDE 942 does not include expenditures for the target groups Income Maintenance, Child Care Administration, Energy Assistance and General Relief/Interim Assistance. The HSRR does include the revenues for these four target groups and these revenues should indicate the total expenditures in these programs. Totals for each of the other target groups should be identical on the two reports. The 942 gives breakouts for the various services (SPC Clusters), whereas the Human Services Revenue Report gives breakouts by revenue source. (A few of the target groups appear on the HSRR and not on the 942 report, because they are not split out by SPC.)

## **What to Report**

1. Human Service Expenses.
  - (a) Only human service expenses should be included in this report.
  - (b) Include all Youth Aids expenses.
  - (c) Include Kinship Care expenses.

2. System/Agency Management Expenses.

Agency expenses that are associated with program cost are to be included and are to be allocated among the Standard Program Clusters and Target Groups found on this form.

3. Total expenditures for certain target groups are to be split into two amounts on the 942: expenditures for individuals under 18 years of age, and expenditures for individuals 18 years of age and older. These target groups are Developmental Disabilities (DD), Mental Health (MH), Alcohol and Other Drug Abuse (AODA), and Physical Disabilities (PD).

## **Standard Program Clusters and Target Groups**

Standard Program Cluster definitions are found in the Human Services Reporting System (HSRS) Handbook. Target Group definitions are in Attachment 3.

Agencies tracking expenses by Standard Program Category (SPC) should use the translation from SPCs to SPC Clusters found in the Human Services Reporting System (HSRS) Handbook. This will permit agencies, which have developed SPC based expense tracking systems, to maintain these systems. All expenses are to be included as agency expenses, and are to be allocated among the Standard Program Clusters and Target Groups found on the DDE-942 form.

Some counties and other agencies receiving special substance abuse grants, as well as counties who volunteer, are being asked to report annual DDE-942 alcohol and drug abuse expenses using more detailed categories for selected treatment services that are provided or rendered under contract. The electronic DDE-942 form has been modified to include these additional lines for Clusters 700, 800, and 900. The on-line help function for the DDE-942 form includes a list of the SPC subprograms to be used, or you may call the SOS Desk (608) 266 -9198 to obtain a copy.

## **Expenses**

Only expenditures should be reported. Do not include unexpended funds received during the reporting period. In general, all funds covered by the State/County contract for Community/Social Service Programs should be included in the DDE-942. In addition, Youth Aids funds should continue to be included until further notice. Include all Youth Aids funds, both community and state. In previous years, counties did not report the state charges because we could get this information at the state level. To keep the amounts consistent with the Human Services Revenue Report, we will no longer do this.

## **How to Determine Expenses by SPC Cluster and Target Group**

Since agencies routinely monitor purchased service or board contracted expenses, agency records can be used in completing the DDE-942. In subcontracts between the DSS and board operated facilities or between counties, the purchaser should report the expenditure. The county that operates the program should only report their agency's expenditures, not the full cost of the program. The other agencies/counties that purchase services from this program will show the other costs of this service on their 942 report. The total expenditure for this specific program/service should equal what all counties that utilize this program/service report. Direct and indirect expenses are to be combined on the DDE-942.

## **How to Allocate Direct Expenses**

Allocation of direct expenses must be based upon actual staff time and expenses. These direct expenses are to be allocated to the various SPCs, Target Groups, and Age Groupings based on where these direct expenses occurred. For distribution purposes, actual staff time expenses, at a minimum, are to be based upon at least one pay period every six months. The selected periods must be representative of those ongoing expenses.

The county agency must use generally accepted allocation procedures in distributing expenses to the DDE-942 report. Three of the acceptable methods for distributing expenses are:

1. Use of the HSRS form DDE-31 Field 19 option to report staff time. This may be ongoing but need be for only one pay period every six months. The agency may then request the appropriate HSRS L 303 quarterly report, which summarizes the units reported by SPC and Target Group.
2. Recording staff time on an agency-designed activity log showing SPC Cluster and Target Group by worker.
3. Use of an agency designed statistically valid time sampling method such as a random moment time study tool.

Some examples of unacceptable methods include:

1. A survey of staff to obtain their best estimates of how time is to be allocated.
2. Use of estimates to allocate actual expenses.
3. Use of HSRS client count reports to allocate expenses (use of units is acceptable).

Each agency must have on file, along with appropriate source documents (e.g., completed logs or time studies), methods used to derive expense information reported on the DDE-942. If staff time is reported on HSRS, the agency must document the time periods during which this reporting occurred, and have on file any relevant HSRS output reports used to allocate expenses.

## **How to Allocate Indirect Expenses**

All agency management and support expenses are to be allocated to the various SPCs, Target Groups, and Age Groupings. These expenses are to include all indirect costs as well as Administrative Management and Support and Overhead (AMSO) Costs.

All indirect costs for those allowable administrative/overhead costs are to follow your county's prescribed cost allocation plan. These cost allocation plans must follow policies and procedures contained in OMB Circular A-87. This cost allocation plan thus includes an allocation methodology where direct and indirect expenses are clearly separated, where actual expenditure information was obtained from financial statements, and like the above direct cost distributions, are based upon acceptable accounting methods.

Here too, each agency must have on file information and appropriate source documents which support its expenses as provided on the DDE-942 form.

## **Inclusions, Exclusions and Specific Instructions**

1. Reports should include total expenditures for human services, including costs for providing the services, costs for purchasing the services, and administrative costs related to providing the services. Thus, total expenditures and revenues will include both direct costs and indirect costs. Administrative costs should be allocated by program area.
2. Expenditures NOT to be reported are W-2 operations, Child Support operations, Public Health operations, county operated nursing homes, county operated ICF-MRs, and Family Care CMOs.

3. Juvenile Court Intake is to be included. If this function is not part of your human service/social service agency, we ask that you obtain this information from the court in your county and include it in your report.
4. Expenditures should be reported only once, e.g., do not report the same mental health expenditures for a child in out of home care under both Mental Health and Children and Family.
5. Also, if one county purchases services from another county, the purchaser should report the expenditure. The county that operates the program should only report their county's expenditures, not the full cost of the program. The other counties that purchase services from this program will show the other costs of this service on their DDE-942 report. The total expenditure for this specific program/service should equal what all counties that utilize this program/service report.
6. Include costs for services operated by your department such as personal care, CBRFs, outpatient clinic, sheltered workshop, psychiatric hospital, and nursing home IMD.
7. The amount that is reported under SPC Cluster 100 should include only Child Day Care–Crisis Respite. Child care funded by the Department of Workforce Development should not be included here.
8. The amount for the Mental Health target group should equal or exceed the combined expenditures for all Mental Health categorical funds your agency received.
9. The amount reported for the Developmental Disabilities target group should equal or exceed the combined amount for all DD categorical funds, including Family Support, Birth to 3, CIP IA, CIP IB, Children's Long Term Support Waiver for DD, etc.
10. The amount reported for the AODA target group should equal or exceed the combined amounts for the AODA Block Grant and other AODA funding sources.
11. The delinquent and status offender target group expenditures should include all expenditures, even those not the responsibility of the county HSD/DSS (i.e., the Sheriff's Department expenditures for juvenile detention and shelter care).
12. Youth Aids-State Charges amounts should be included on the DDE-942 along with Youth Aids Community charges. In past years, the Youth Aids-State Charges were obtained directly from the Department of Corrections and so were not reported by counties. We will no longer do this. Counties should now report the entire amount to be consistent with their Human Services Revenue Report.
13. Be sure to add in management/support costs that are determined by time study or cost allocation plan, as well as those determined by direct charge.
14. SPC 900 (Inpatient and Institutional Care) and SPC 925 (IMD) are now combined.

Statewide statistical reports combine expense amounts reported on the DDE-942 with comparable client counts from the Human Services Reporting System (HSRS) in reports to legislators, legislative committees, agency directors, and others. Agencies are encouraged to compare client counts, which are provided on HSRS Output Reports with expense amounts on form DDE-942, to be sure expenses and clients are reported in a consistent manner.